

- Would prohibit price fixing, promote competition, and protect consumers - Washington, DC - U.S. Rep. John Hall today helped repeal the blanket anti-trust exemptions provided to the health insurance industry by the McCarran-Ferguson Act in 1945. The Health Insurance Industry Fair Competition Act, which passed the House of Representatives by a broadly bipartisan vote of 406-19, will take away the industry's anti-trust exemption, requiring insurance companies to compete fairly and adhere to the same anti-trust laws as other companies. Congressman Hall has been promoting this legislation in the Hudson Valley and Washington, and is an original cosponsor of the bill.

Health insurers will no longer be shielded from liability for price fixing, dividing up territories among themselves, or sabotaging their competitors in the marketplace in order to gain monopoly power; practices which have been outlawed in other industries for decades. The special exemptions they have enjoyed have reduced competition, limited consumer choices, lowered the quality of coverage, and increased premiums and out-of-pocket costs for consumers.

"For too long, health insurance companies have benefited from special treatment at great cost to the public," said Rep. Hall. "Competition is a core principle of our economy that didn't apply to them. As a result they took advantage of people with exorbitant price increases. Middle-class families and small businesses are facing higher premiums, lower levels of coverage, and limited choices – all while the insurance companies are turning record profits. Enough is enough. It's time to ensure that consumers are getting a fair deal."

For 65 years, the health insurance industry has been exempt from anti-trust laws, and the federal government was banned from even investigating evidence of possible collusion. In the last 14 years alone, there have been 400 mergers among health insurers and now 94% of all insurance markets are "highly concentrated" – meaning consumers have little or no choice between insurance providers.

"The American people deserve real choice for their health insurance. Over the last year I've traveled across the 19th District discussing health insurance reform. Repealing this anti-trust exemption has overwhelming support from across the political spectrum of constituents I've spoken with. This legislation is an essential piece of health insurance reform. It should be quickly enacted while we continue to pass other necessary reforms," Rep. Hall said.

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